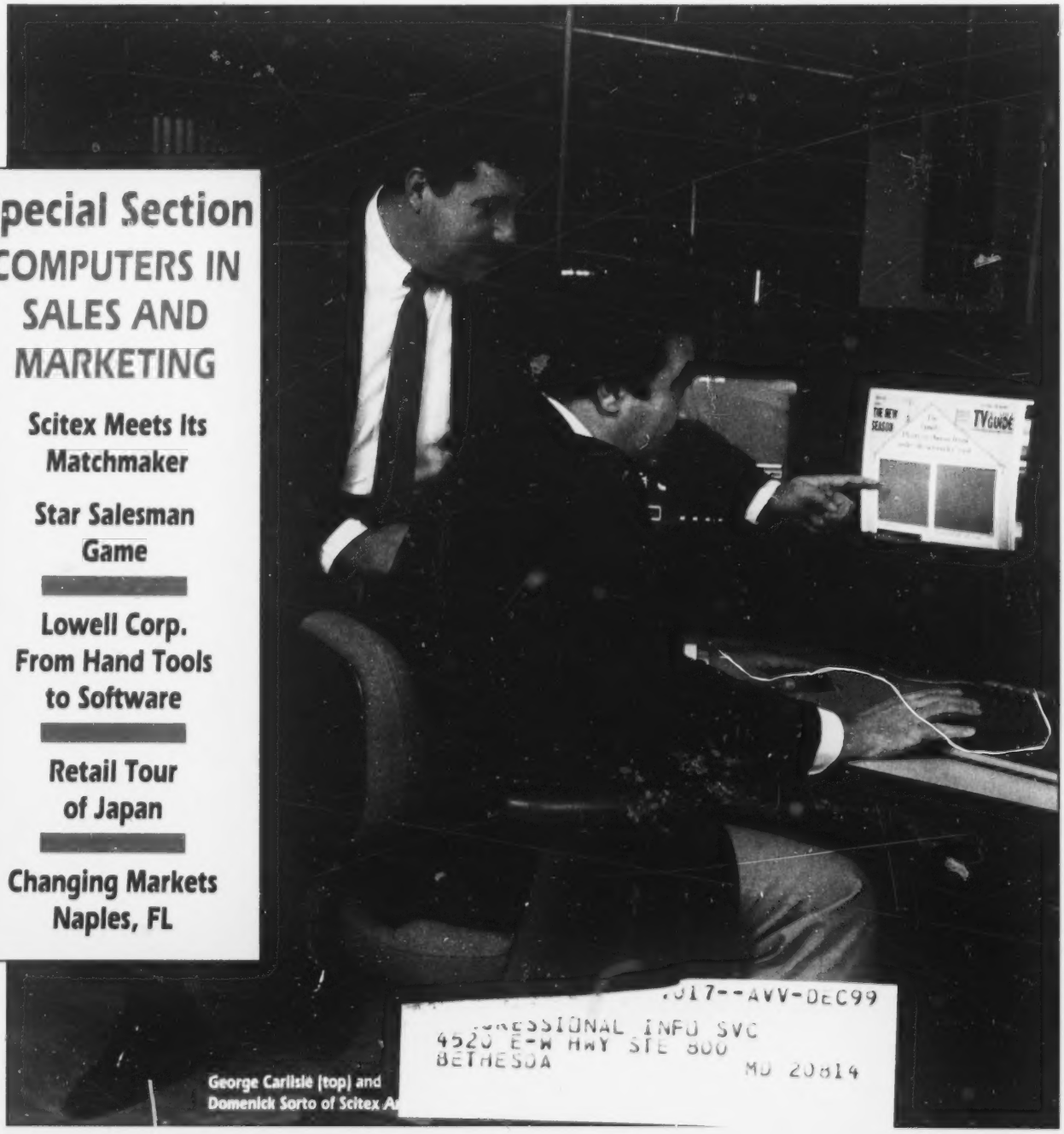
C1200-1 A
12/11/86

DECEMBER 1986 A BILL PUBLICATION

Sales and Marketing

MANAGEMENT



George Carlisle (top) and Domenick Sorto of Scitex A

Special Section
COMPUTERS IN SALES AND MARKETING

Scitex Meets Its Matchmaker

Star Salesman Game

Lowell Corp. From Hand Tools to Software

Retail Tour of Japan

Changing Markets Naples, FL

017--AVV-DEC99
PROFESSIONAL INFO SVC
4520 E-W HWY STE 800
BETHESDA MD 20814

Sales and Marketing
MANAGEMENT
Established 1918

Contents / December 1986

Short Takes

Sales Management

20
Selling services
Electroshock at Detroit Edison
Selling abroad
Defense vs. Tektronix

21
Government sales
Off to the races with the desk jockeys
Compensation
"I'll have what they're having!"

23
Sales strategies
Will Rockport win in a walk?

25
Sales force management
Honeywell gears for automation

Marketing Management

26
Hotel marketing
Filling the quality gap
Children's markets
Hasbro tells Mattel to rock and roll over

28
Coupons
Let us entertain you
Politics
Justice Bird defeated by marketing

30
Market research
RE: 2000 looks to the future
New products
Bertolli puts olive oil in a new light

Features

38
The world's oldest software company
Ten years ago, Pete Cummings's company had a problem. Today, he's selling the software he developed to solve it.

41
Is growth in the cards for Naples?
The second installment in our Changing Markets series examines this southwest Florida city, which was recently labelled "one of America's fastest-growing metro areas."

47
A retail tour of Japan
Hot-pink vacuum cleaners are just one of the many items discovered by contributing editor Ed Bobrow on a recent tour of Japan's retail outlets.

52
Some words on warranties . . .
What is the difference between an express warranty and an implied warranty? If your salespeople don't know the answer, you could be in trouble.

Special Section

75
Computers in sales and marketing
- Scitex meets its matchmaker
- A rep writes his own software to success
- Portables on the double
- **S&MM Star Salesman Game:** Find your PC IQ
- Aries Electronics' triple play
- Directory of PC-based sales and marketing applications software
- Vendor directory

Newsletters

36
Industrial Newsletter

35
Marketing Newsletter

Departments

115 Advertisers' Index
16 Books
57 Changes in the News
64 Co-op Advertising
14 Demographics in Action
4 Editor's Side Pocket
60 Ideas You Can Use
10 Jaundiced Eye
8 Letters to S&MM
56 Marketers, Et cetera
23 S&MM Predicts
12 S&MM Viewpoint
114 Sales Mart
68 Sales Strategies
116 Significant Trends
59 Travellers' Network
119 Worth Writing For

Cover:
As the industry recovers from the fallout of the last few years, one of the strongest areas to emerge from the melee has been PCs and, more specifically, the use of PCs in sales and marketing. What made this end of the business a veritable fallout shelter? See this month's Special Section, beginning on page 75.

Cover produced by Scitex America, a computer imaging company.

Photo: Sarah Putnam

VOL. 137, NO. 8 S&MM **Sales and Marketing Management** ISSN 0163-7517 is published monthly except in February, April, July, and October, when it is published twice a month, by Bill Communications Inc., 633 Third Avenue, New York, NY 10017. Telephone 212-986-4800. Copyright © 1986 by Bill Communications, Inc. All rights reserved. Subscriptions in the U.S. and its possessions, $38. Canada, $52. (U.S.) Foreign, $67 (U.S.). Allow 4 to 6 weeks for first issue to arrive. Second Class Postage paid at New York, NY, and at additional offices. Postmaster: Send address corrections to *Sales and Marketing Management*, Subscription Service Department, P.O. Box 1024, South Eastern, PA 19398-9990. Member of the Audit Bureau of Circulations, American Business Press and Magazine Publishers Assn.

"U.S.A. Newsstand Distribution by Eastern News Distributors, Inc., 1130 Cleveland Road, Sandusky, OH 44870."

Authorization to photocopy items for internal or personal use, or the internal personal use of specific clients, is granted by *Sales and Marketing Management* for libraries and other users registered with the Copyright Clearance Center (CCC) Transactional Reporting Service, provided that the base fee of $3 per copy is paid directly to CCC, 21 Congress St., Salem, MA 01970. (0273-9313/81 $3.) Special requests should be addressed to Bristol Voss at *Sales and Marketing Management*. This permission does not apply to the annual *Survey of Buying Power*, *Survey of Buying Power—Part II*, *Survey of Industrial & Commercial Buying Power*, or *Survey of Selling Costs* issues, nor does it extend to other kinds of copying, such as for general distribution, resale, advertising/promotional purposes, or creating new collective works.

says. "I may want to give a prospect a reference he can call about a certain product."

The "remarks" that take up the next eight lines, 13–20, summarize the results of a sales call and form the basis of periodic account reports to his principals. They're followed by three lines, 21–23, of private information Pitlak doesn't want included in a contact report, such as a buyer's home phone number or comments made in confidence.

The remaining lines, 24–27, are data fields that are automatically calculated by the PC and used for presenting tabular, graphic, or forecast data.

Once Pitlak keys the prospect/customer information into his database, he uses his templates to organize, extract, and format what he needs to plan his sales activities. A short form, "Current prospects list," alerts him to leads requiring a follow-up.

This information is vital for Pitlak because his selling cycle is usually 6–8 months and sometimes as long as two years, due to the high-ticket laser equipment he sells that has a low per-call sales probability. The manufacturing concerns, government research labs, and universities he calls on in Arizona, California, and Nevada, he notes, "are usually waiting for funding at the time of my visit, so I need a system to track them and avoid lost opportunities."

When it comes to preparing the principals' account reports, Pitlak says, "Sellflex pays off dividends. All I do is load a template that commands the PC to search for those reports in which the 'last contact' is today's date, and print them." He sums up: "I make my money in front of a customer, not from preparing reports."

PORTABLES ON THE DOUBLE

No longer an oddity, portable PCs (also known as laptops, kneetops, or briefcase size) will "soon become a significant market," predicts Abbi Lawrance, microsystems research analyst with InfoCorp, a leading Cupertino, CA, hi-tech research firm. "They're replacing hand-held terminals and will begin to eat into the desktop market," she told clients at the firm's recent annual briefing seminar.

Shipments in the 1986–91 timeframe will soar 76% a year, Lawrance projects, but the market's high- and low-price segments will grow at sharply contrasting rates: models priced less than $1,000 will post a compound annual growth rate of better than 100%, while those in the $1,000–$6,000 category will make do with just under 50%.

Behind the explosive growth "is the gradual elimination of constraints that held back sales in the past," she says, ticking off the following improvements:

- "Display quality: Not good in the past, is becoming very good.
- "Functionality: Portables couldn't do a lot before, can now be upgraded.
- "Weight: Once very heavy, they're slimming down to 9–10 pounds.
- "Software availability: Very limited before, not so much of a problem now. We'll see a lot more application-specific programs, such as for the sales area, in the near future.
- "Desktop compatibility: Less progress here, but some portables with external drives can download from desktops.
- "Prices: Yesterday's very high price tags keep coming down. Data General's DG/One, introduced last year at $4,000, now goes for $1,995.
- "Battery life: Now as much as 10 hours on some models. Will need further improvements as we add more functions to portables."